



Data Integrity and Operational Efficiency and Effectiveness

June 4, 2013



Data Integrity and Operational Efficiency and Effectiveness

- **Procure to Pay**
 - Procurement Data Standard
 - Clause Logic Implementation
- **Government Furnished Property**

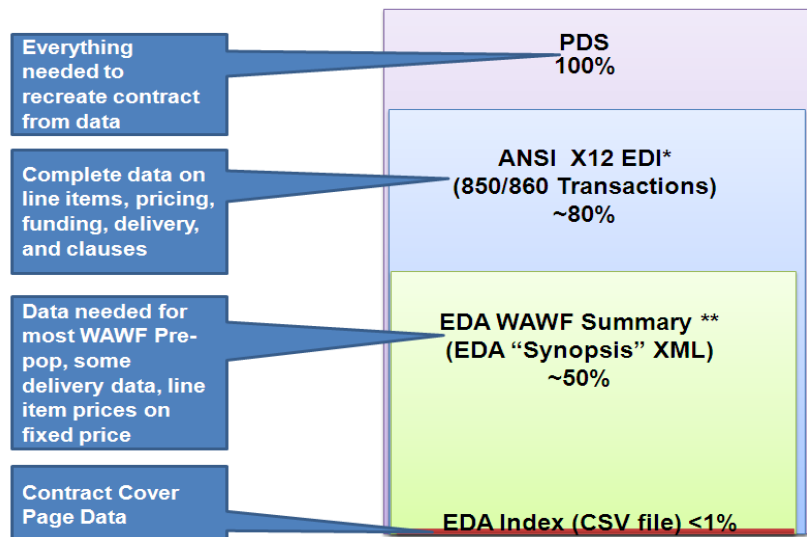


Procurement Data Standard (PDS)

Storyline:

- Jul 2007 – AT&L Memo – establish a data strategy & build PDS
- Jun 2008 – PDS version 1.0 Developed (Awards & Orders)
- Jul 2008 – Published PDS v2.0 (Awards & Orders)
- Jul 2009 – Published PDS v2.2 (Awards & Orders) & instituted Configuration Control of the Schema
- Oct 2010 – Conducted first “PDS Road Show” / Webinar (20+)
- Oct 2010 – First PDS award / order sent from SPS
- Dec 2010 – Published PDS v2.3 (Awards, Orders, & Modifications)
- Feb 2011 – Issued first weekly report detailing reasons for failure
- May 2011 – Incorporated PDS Helpful Hints in SPS Info Mail

Looking at One Contracting Action:
How much data do we have in each File Format?

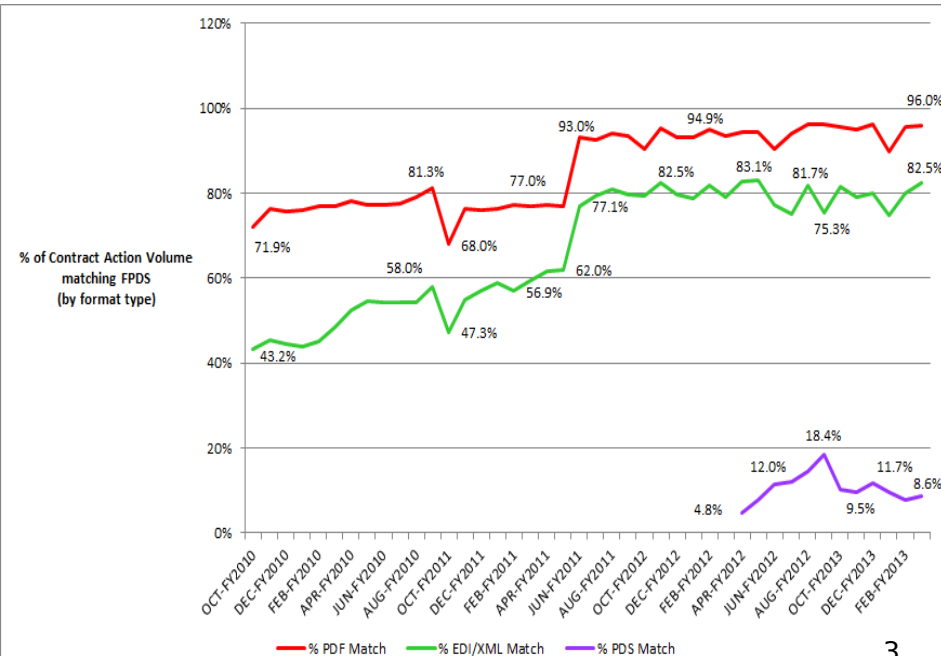
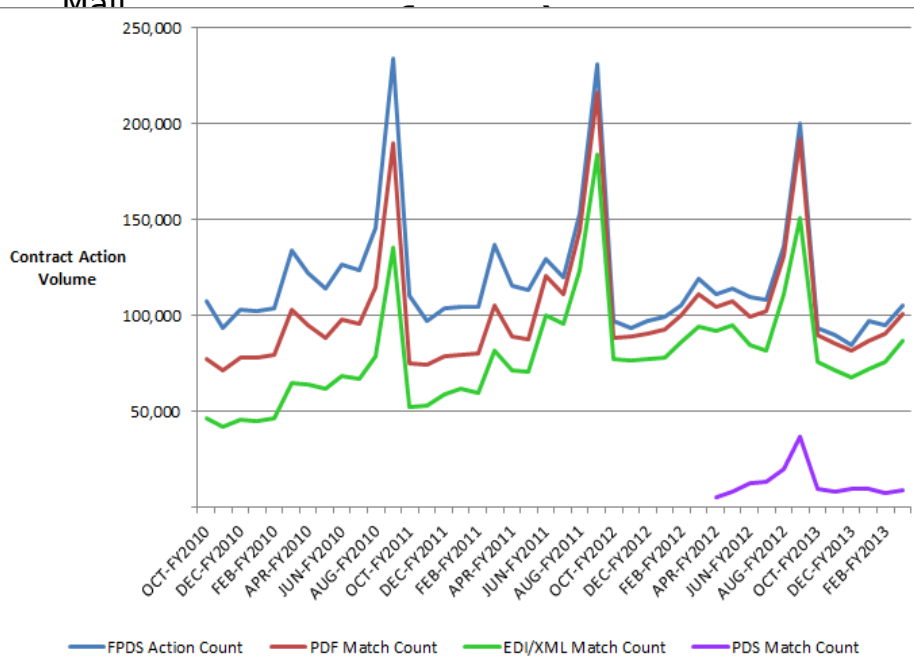


* May be translated from native CWS formats (e.g. SPS XML)

** Translated from: EDI, native CWS formats (e.g. SPS XML), or sent natively from CWSs as EDA WAWF Summary XML

DoD Contracting Action Volume (by

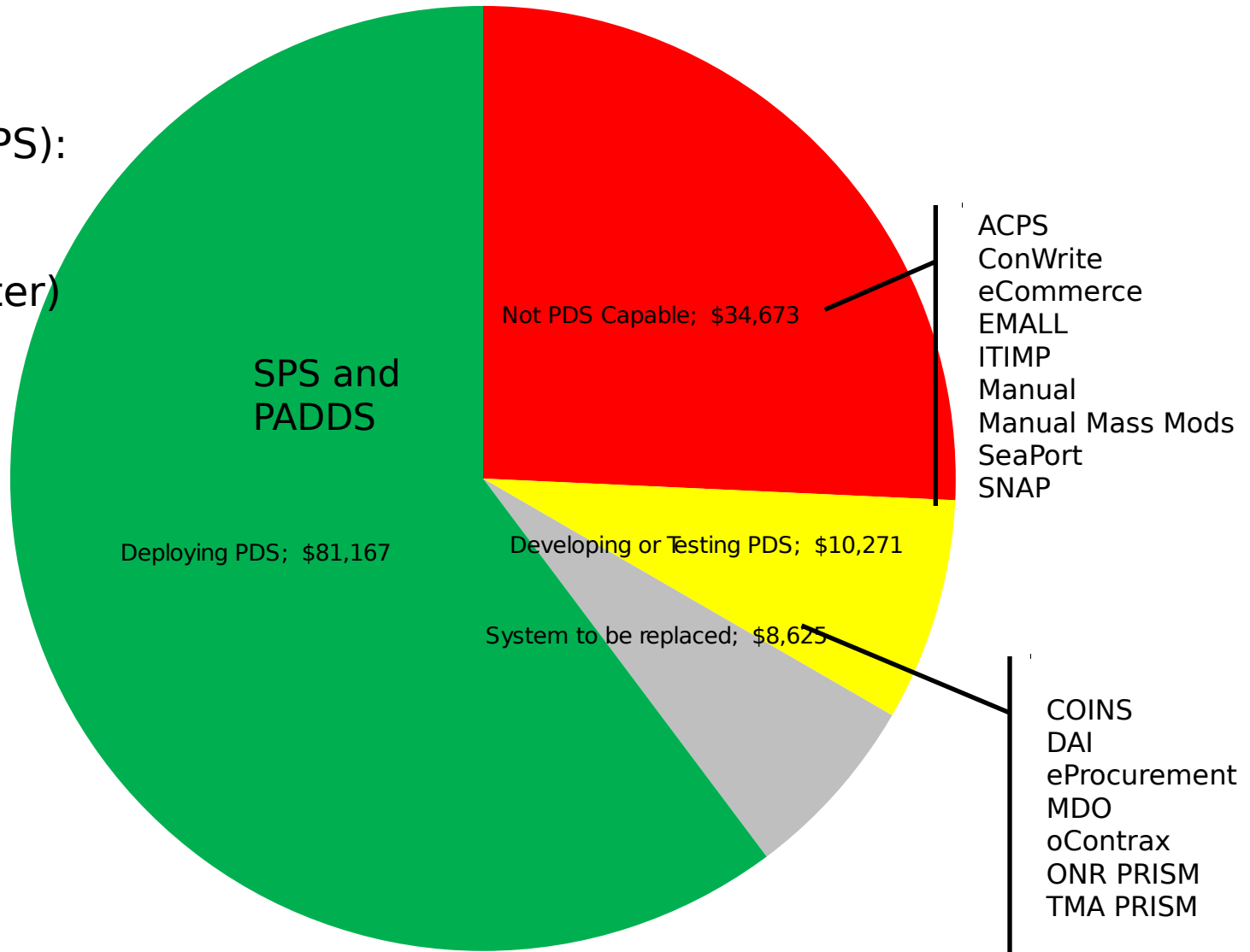
% Reported to FPDS, Posted as PDF,





Dollars by CWS Grouped by PDS Deployment Status (Q1 & Q2 FY13, millions)

MIA Orgs (SPS):
NAVSEA
SOCOM
Army (Theater)
DMEA
DTRA





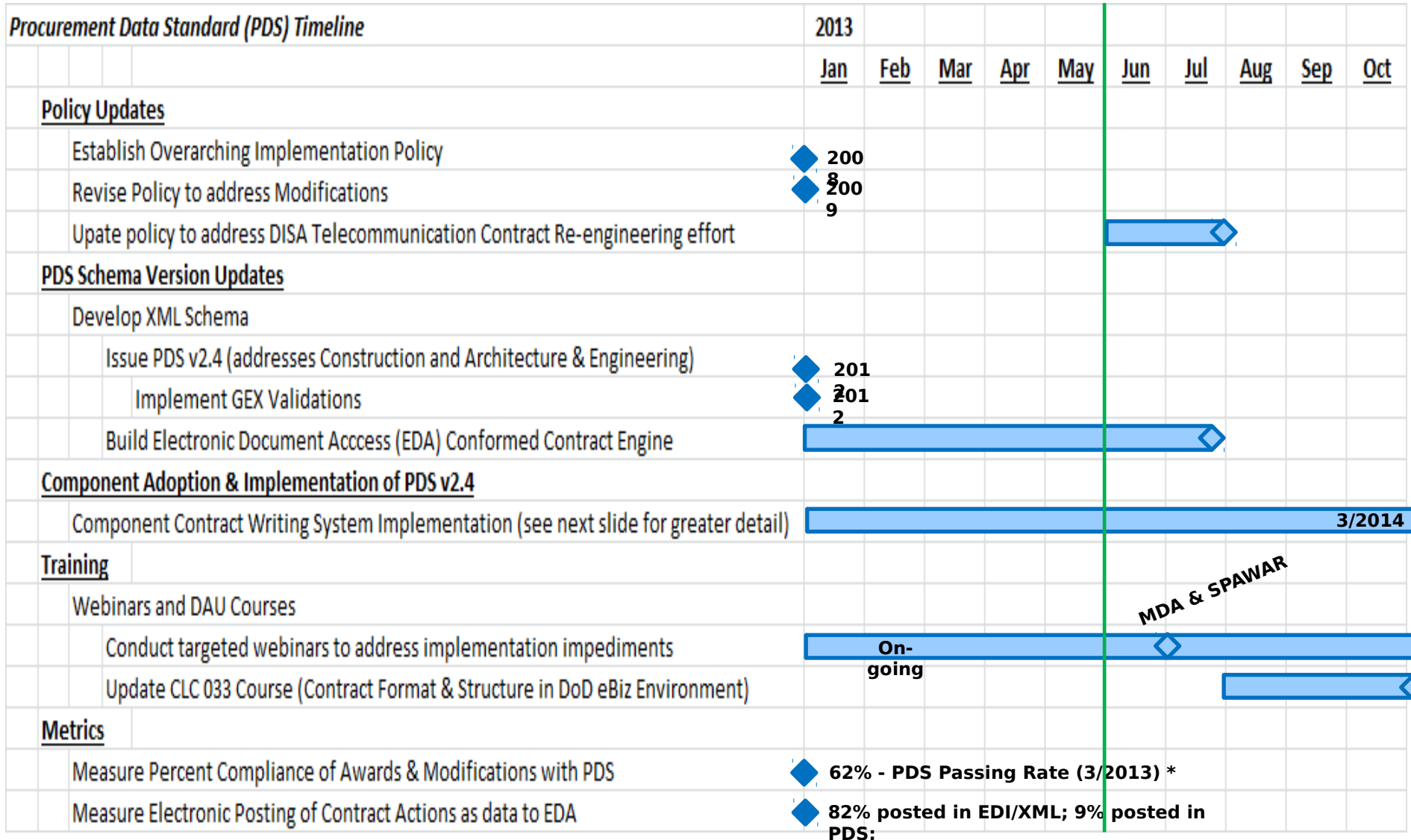
Implement Procurement Data Standard



Completed



Scheduled to Complete





PDS Implementation Status (non-classified systems)

System	Awards				Mods	
	Design	Test	Evaluate in EDA	Operational	Design	Test
ACPS	→					
COINS						
ConWrite	PDS effort stopped					
DAI/APS	CWS cancelled					
DISA DEPS / IDEAS	→					
DLA Legacy	To Be Replaced by eProcurement					
eCommerce	NMCI Ordering system, replacement pending					
EMALL	→					
eProcurement	→				→	
ITIMP	→					
MDO	→				→	
oContrax	→					
ONR PRISM	→					
PADDs	→					
SeaPort						
SNAP						
SPS	→				→	
TMA PRISM	→					

Army

Navy

Air Force

DLA

Other



SPS-PDS Extract Utility

- **PDS v2.3 SPS-PDS Extract Utility updated & loaded to the SPS KnowledgeBase for site download on 5 Apr 2013**
- **SPS Site System Administrators highly encouraged to load the new utility**
 - Better handling of modification scenarios involving CLIN cancellations, funding redistribution, address changes
 - Better handling of Share Ratios
 - Better handling of Agreements (i.e. \$0 Amount)
 - Better handling of large file sizes
 - Better handling of special characters
- **Causing 10 % of PDS errors as of Jun 2013**
- **PDS Compliance (particularly with modifications) will increase with new utility**



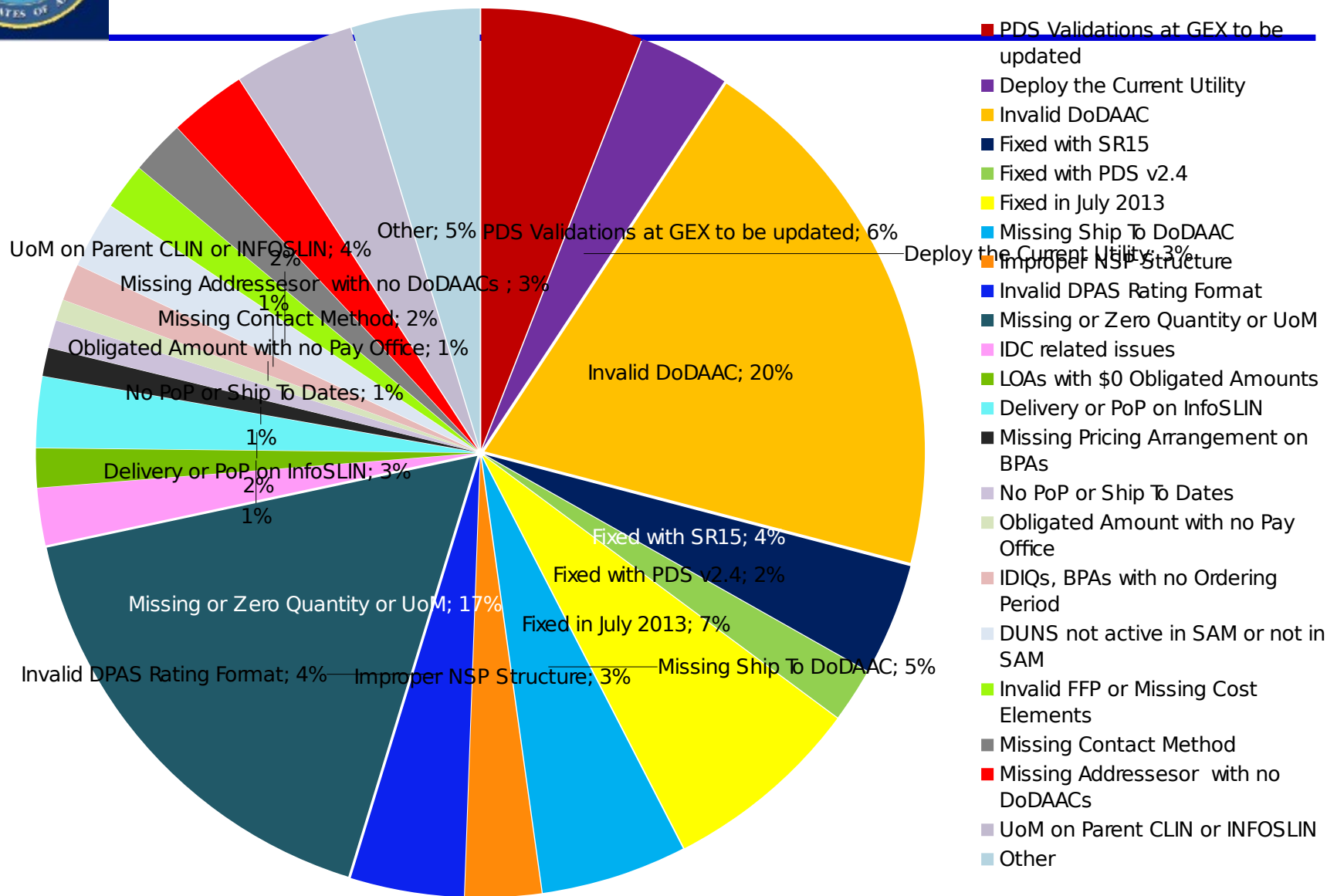
Contract quality issues uncovered through DoD data environment

- **Delivery requirements are vague - What is supposed to be delivered on this contract?**
 - Missing inspection and acceptance criteria
 - Assignment of inspection or acceptance to organizations without WAWF users, including assignment of acceptance to contractors
- **Bad DUNS, CAGE, and DODAAC codes**
- **Line item problems**
 - Missing quantity and unit of measure on cost type line items
 - Dollars or Lump Sum as a unit of measure
 - “Not to exceed” firm fixed price line items
- **~~Bad DPAS rating codes~~**



SPS % of Errors on Awards by Reason

For Official Use Only - Business Sensitive



For Official Use Only - Business Sensitive



DoD Procure-to-Pay 10.0 E2E

HANDSHAKES

Receive & Accept PRs

Develop Proc. Strat.

Award Proc. Inst.

Administer Procure. Instrument

Perf. Receipt Accept, Return

Man. Proc. Inst. Entitlement

Manage Disbursement

Perf. Proc. Inst. Close

Budget to Report E2E

Identify Need

Validate Requirements

Process Micro Purchase Card

Evaluate Awarded Procurement Instrument

Perform Receipt

Evaluate Awarded Procurement Instrument (4)

Validate Ready to Pay File Information

Determine Final

Daily Treasury Disbursing Report (8)

Define Requirement

Combine Like Requirements

Prepare Pre-Solicitation Notices

Perform Contract Surveillance

Inspect Other Goods & Services

Match Obligation Doc. Acceptance & Payment Request (6)

Reject Ready to Pay File Information

Confirm Proc. Inst. Closeout

Determine if Federal Supply System

Forecast Demand

Conduct Source Selection

Review & Eval. Contr. Business System(s)

Process Discrepancies

Calculate Payment Adjustments

Process IGT Payment & Obligation

Complete Admin Closeout of Proc

Generate Request

Collect & Analyze Spend Information

Evaluation Sourcing Plan

Administer Government Furnished Property

Reject Goods or Services

Apply Accounts Payable

Distribute Payment (7)

Archive Proc. Inst.

Request Approval

Combine Like Requirements

Receive and Review Proposals

Initiate Procurement Change

Confirm Receipt & Acceptance (5)

Apply Payment Instructions

Funds Balance with Treasury

Route to Buyer

Conduct Market Research

Develop Procurement Instrument

Record Obligation (Mods)(3)

Process Returns & Credits

Prep. Certified Business Partner

Resolve Payment Discrepancies

Perform Funds Certification (1)

Validate Funds (2)

Administer Payment

Process Additional Accounts Payable Information

Generate Disburse. Pro Forma Entries

Develop or Refine Sourcing Plan

Award Procurement Instrument

Perform Order Administration

Summarize Transaction Detail

Define Acquisition Strategy

Record Obligation (3)

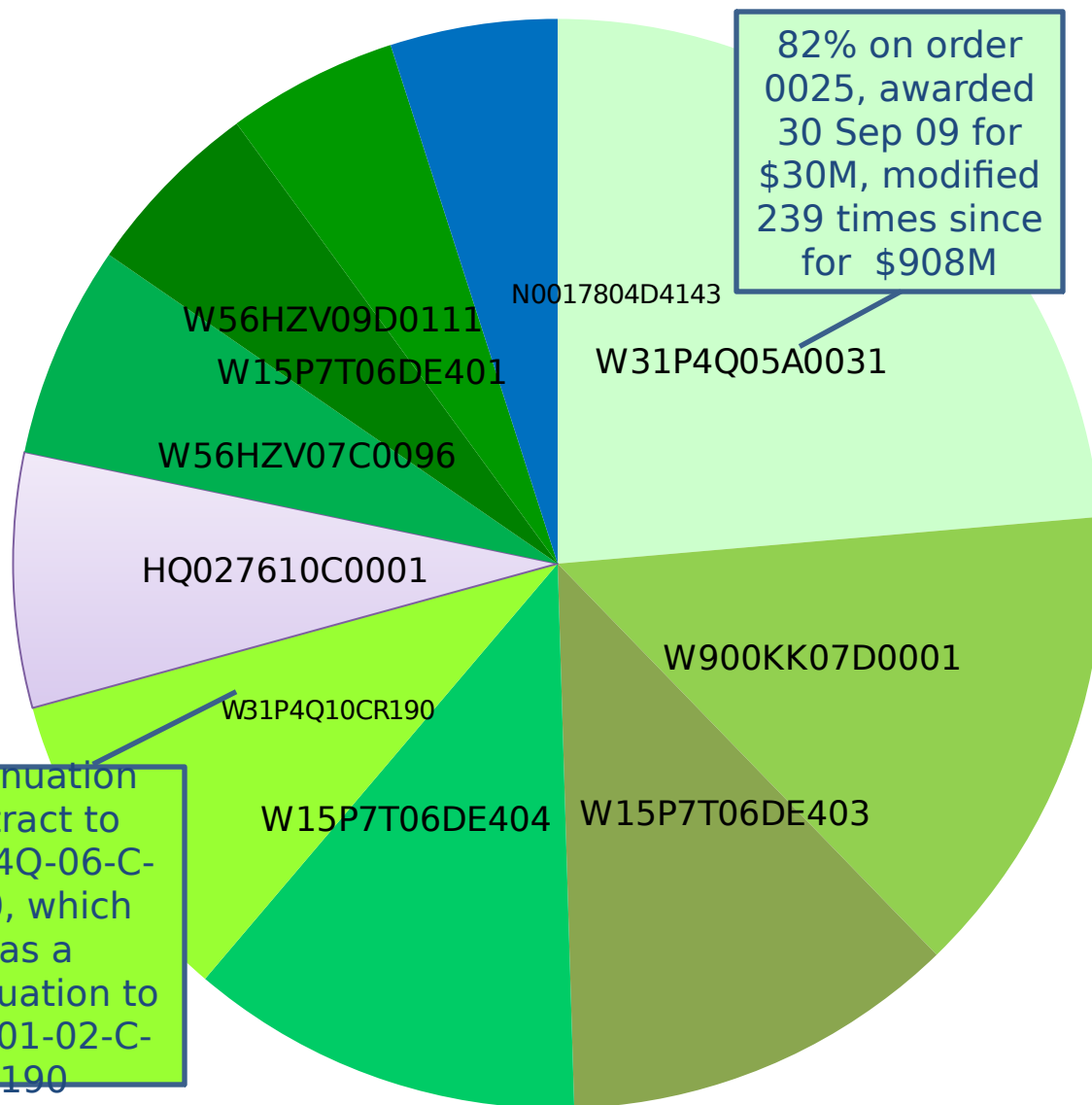
Record Commitment

10



FY12 Interest Analysis

(excludes contract detail data from Army GFEBS, which was not provided)

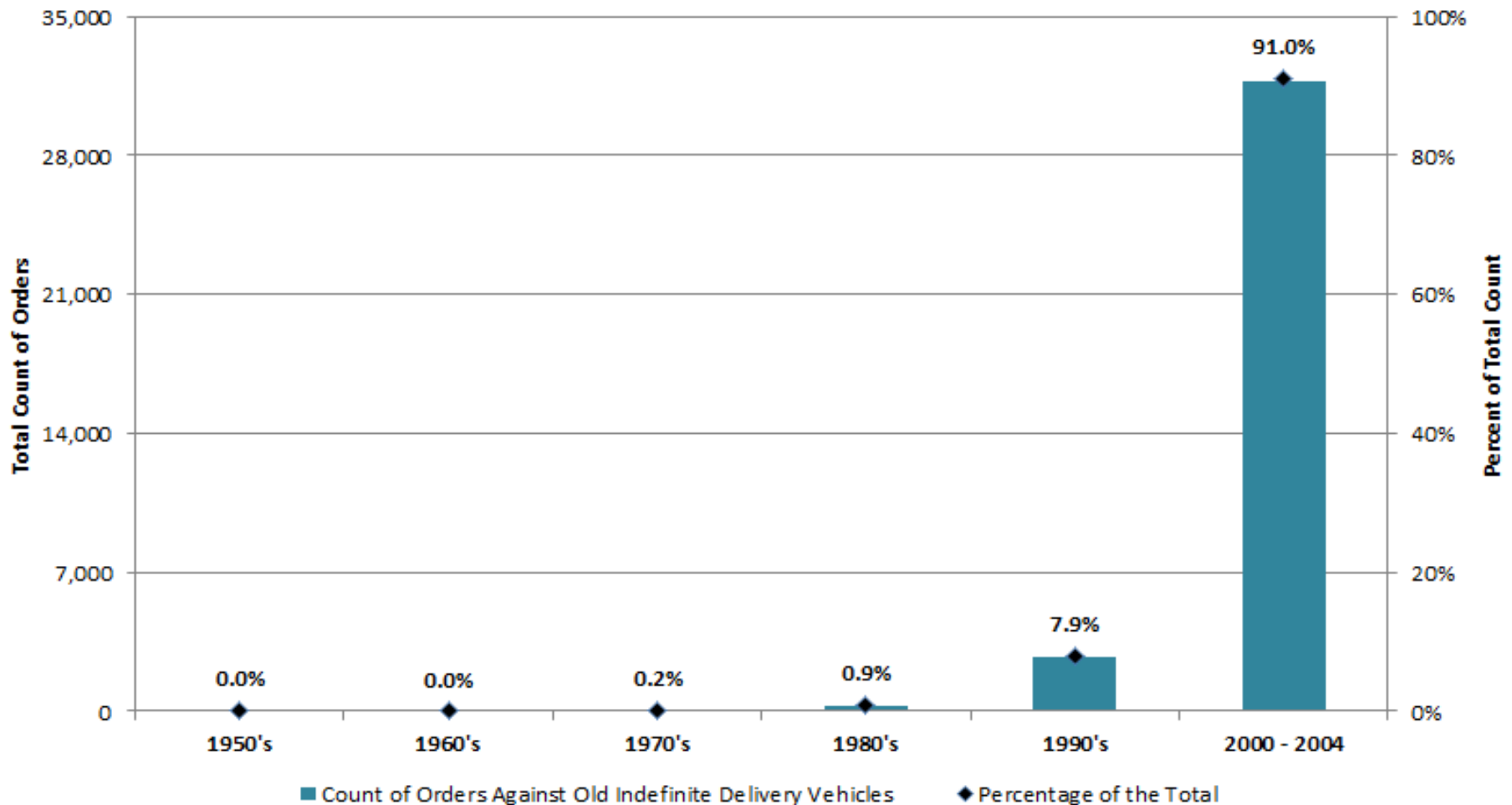


- **\$346.8B** disbursed on **3.4M Contracts** in **FY12**
- **\$15.2M** interest incurred on **36.7K** contracts
- **873** contracts accounted for **half the** interest
- **Top 10** accounted for **9.4% (\$1.4M), as shown**



New FY12 Orders Against Old IDVs

Count of FY12 Orders Against Old Indefinite Delivery Vehicles





Tough Issues

- **ELINs**
- **Info SLINs**
- **Direct Cite MIPRs**
- **Establishing standards for Accounting, Entitlement and Disbursing systems stipulating consumption of electronic contract data**
- **Implementation framework for the new Standard Line of**

Accounting



Tough Issues

- **CAGE and DoDAAC reinvention**
 - Ensure accurate ID for Procurement Organization
 - Ensure accurate ID for Funding Activity
 - Ensure source for industry hierarchy
- **Adoption of Purchase Request Data Standard**
- **Updating accelerated closeout to facilitate audit**



Clause compliance rate examples

Based on data from EDA posted from 1 Jan 2013 to 30 Apr 2013

- **Combatting Trafficking in Persons - FEB 2009:**
 - 96% included a clause
- **Wide Area WorkFlow - JUN 2012:**
 - 90% had at least one clause
- **Ordering - MAY 2011:**
 - 38% had the correct (DFARS) clause
 - 38% had incorrect (FAR) clause
 - 4% had both
 - 20% had none in data - spot check of 8 showed 4 had no clause, 2 had the FAR clause, 1 had the DFARS clause, and one had both
- **Four DFARS GFP clauses - APR 2012**
 - 26% had all four
 - 15% had one to three
 - 59% had none in data - spot check found clauses on one of 9 contracts
- **Payment Instructions - SEP 2009:**
 - 11% of contracts requiring a payment instruction due to contract type or financing clauses had one or more



Clause Logic Goals

- **Improve the integrity of contracts developed by providing a centralized, web-based, intelligent business logic clause generating service for Defense Contract Writing Systems (CWS)**
- **Achieve efficiencies by reducing overall DoD costs for developing and maintaining clause logic across CWSs**
- **Provide ability to control or standardize local instructions that are incorporated at the CWS levels (?) (currently ~~managed by CWS~~)**
- **Operational Test - Aug 2012**
- **Operational - May 2013**
- **Next Release - July 2013**
- **Configuration Control established- Jan 2013**
- **Early Adopters:**
 - DLA
 - DISA
 - AF Contingency
 - TRANSCOM - Web version
- **SPS review - FY14**



Specify Indicators in Contract Writing System

Indicators

Name	Values
Document Type	<ul style="list-style-type: none"> • Solicitation
Solicitation Type	<ul style="list-style-type: none"> • Invitation For Bids
Procedures	<ul style="list-style-type: none"> • Sealed Bidding • Set-Aside
Set Aside	<ul style="list-style-type: none"> • Total Small Business Set-Aside
Procurement Type	<ul style="list-style-type: none"> • Services
Service Type	<ul style="list-style-type: none"> • Refuse Services
Origin	<ul style="list-style-type: none"> • Department of the Air Force
Pricing Arrangement	<ul style="list-style-type: none"> • Firm Fixed Price
Place of Performance	<ul style="list-style-type: none"> • United States
Period of Performance	<ul style="list-style-type: none"> • 365
Contract Value	<ul style="list-style-type: none"> • 300000
Form Type	<ul style="list-style-type: none"> • SF 33



User will provide additional information about acquisition

Clause Logic Service
FL1234-13-C-0001
Exit

Home
Basic Info
Review
Print & Save

Basic Info

Browse through the following sections and provide basic information about your procurement.

Procurement Information

Procurement Document Start

Pricing / Funding Start

Procedures Start

Services / Supplies Start

Contract Performance Start

General

Improper Business Practices Start

Administrative Matters Start

Procurement Document

Number	FL1234-13-C-0001
PIN	
Last Modified	May 29, 2013 14:02

Regulations Edit Regulations


LOCK	FAR
LOCK	DFARS

Prescribed Clauses 0

✓ Required	0
ⓘ Optional	0
✗ Removed	0



User is presented with list of prescribed clauses

 **Clause Logic Service** FL1234-13-C-0001 Exit













[Home](#) [Basic Info](#) [Review](#) [Print & Save](#)

Procurement Document Review

Last updated May 29, 2013 08:33

Below is the detailed procurement document based on the questions that you answered and other clauses that you have added/deleted manually. Required clauses cannot be deleted from the procurement document record.

Procurement Document Number: FL1234-13-C-0001 [+ Add Clause](#) [Print](#)

E	Inspection & Acceptance	back to top
	52.246-4 - Inspection of Services—Fixed-Price (AUG 1996)	 
F	Deliveries or Performance	back to top
	52.247-60 - Guaranteed Shipping Characteristics (DEC 1989)	 
G	Contract Administration Data	back to top
H	Special Contract Requirements	back to top
I	Contract Clauses	back to top
	52.202-1 - Definitions (JAN 2012)	 
	52.203-3 - Gratuities (APR 1984)	 
	52.203-5 - Covenant Against Contingent Fees (APR 1984)	 
	52.203-6 - Restrictions on Subcontractor Sales to the Government (SEP 2006)	 

19



Contract Writing System pulls list of prescribed clauses from CLS

Clauses

Number	Variation	Regulation	IBR Authorized	Provision	Fill-ins	
52.202-1		FAR	YES	NO	NO	Details
52.203-2		FAR	NO	YES	NO	Details
52.203-8		FAR	YES	NO	NO	Details
52.203-3		FAR	YES	NO	NO	Details
52.203-5		FAR	YES	NO	NO	Details
52.203-10		FAR	YES	NO	NO	Details
52.203-7		FAR	YES	NO	NO	Details
52.203-6		FAR	YES	NO	NO	Details
52.203-11		FAR	YES	YES	NO	Details



Contract Writing Systems Testing CLS

Application	Agency / Company
AAMS	Distributed Solutions, Inc
Appian	Appian Corporation
COINS	USTRANSCOM
EASi	GSA
eProcurement	DLA
oContrax	USAF
Oracle CLM	CACI
PADDs	US Army Contracting Command
PPS	SAP
PRISM	Compusearch Software Systems
SeaPort	Aquilent
SPS	CACI



Government Furnished Property

Targeting Equipment and Completeness Audits



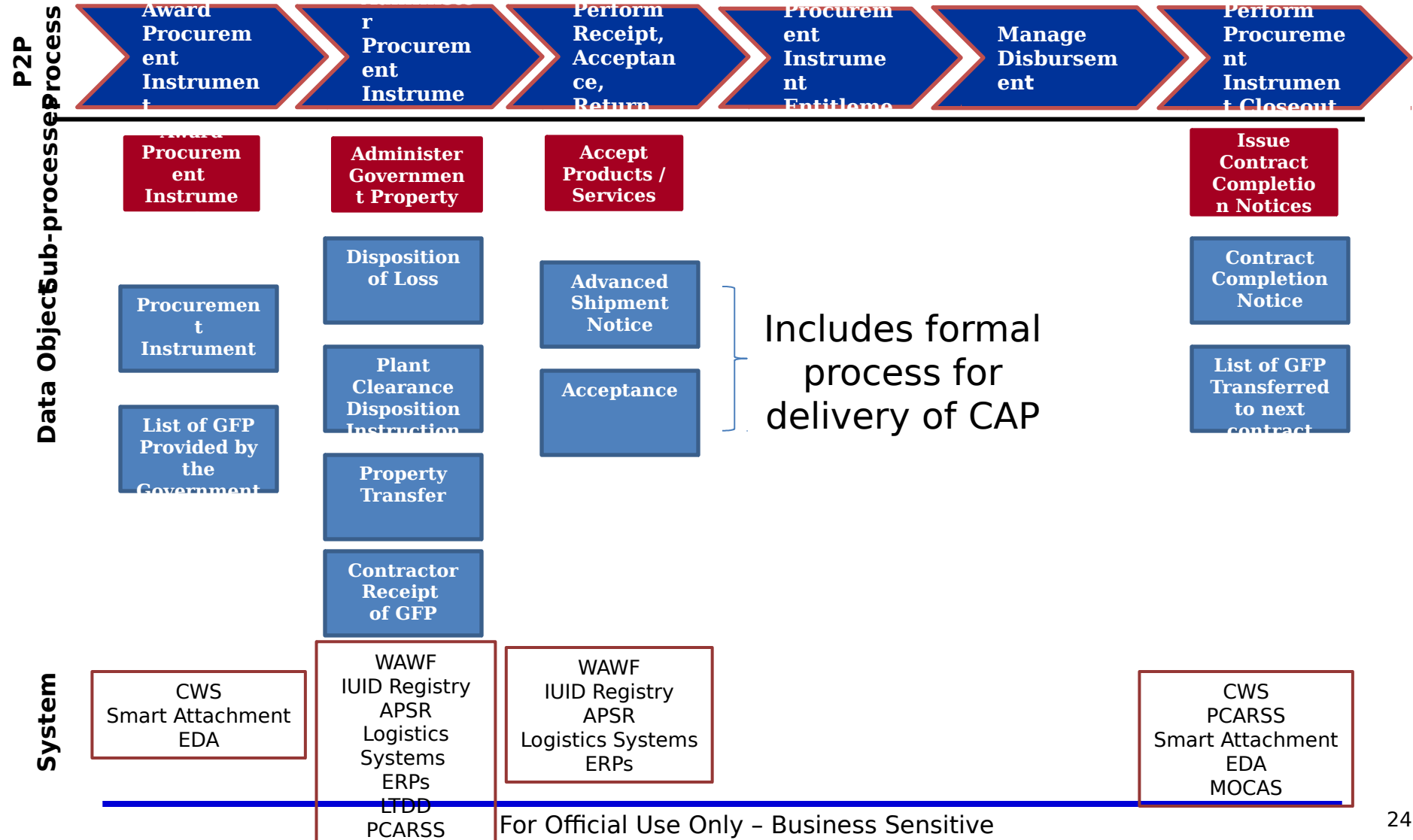
Government Furnished Property Synchronizing the Policy

Material/ Logistics	Equipment/ Accountability	Acquisition/ GFP
DoDM 4140	DoDI 5000.64	DoDI 4161.02
Estimated August 2013	Published May 2011	Published April 2012

Policies based on 19 business rules ensuring consistency of policy and terminology across organizations



Property Transaction Touch Points



Property Data River



	Receive & Accept PRs	Develop Procurement Strategy	Award Procuremt Instrument		Administer Procurement Instrument										Receipt, Acceptance	
			Award		Contractor Receipt			Loss		Plant Clearence		Return		Accept		
	Property Attachment	Property Attachment	Property Attachment	Award	New Procurement	Property Transfer	Requisitio n	Request Relief	Disposition Loss	Schedule	Dispositi on	Reparabl e	Transfe r	CAP	New Procurement	
PIIN	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
SPIN	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
CAGE [Contractor]				X	X	X	X	X	X	X	X	X	X	X	X	
Item #	X	X	X		X							X		X	X	
Description	X	X	X		X	X	X	X	X	X	X	X	X	X	X	
Marking Instruction	X	X	X													
CAGE [Manufacturer]	X	X	X													
Model #	X	X	X				X	X	X	X	X					
NSN	X	X	X		X	X	X	X	X	X	X	X	X	X	X	
Nomenclature	X	X	X		X	X	X	X	X	X	X	X	X	X	X	
Part #	X	X	X		X	X		X	X	X	X	X	X	X	X	
Part or Indent ID	X	X	X		X	X		X	X							
Quantity	X	X	X		X	X	X	X	X	X	X	X	X	X	X	
Serial Number	X	X	X		X	X		X	X	X	X	X	X	X	X	
															25	



Audit Horizon



Are We There Yet?



Backup



Clause compliance analysis methodology

- **Pulled clause data from EDA for contracts awarded 1 Jan 2013 through 30 Apr 2013**
- **Initially filtered for any contracts with numbered clauses, however, spot queries showed that some contract writing systems sent only some of the clauses as data**
 - ConWrite appears to never send DFARS clauses as data
 - Some SPS sites do not send clauses with fill ins as data
- **Revised filter to only include either contracts that included 52.202-1 or 52.212-4, as all contracts above simplified acquisition threshold should include one of those two.**
- **For GFP and Payment Instructions, included contracts that did not have 52.202-1 or 52.212-4, but did have another relevant clause**
- **Sample is not proportional to actual volume due to lack of any clause data from DLA, Defense Logistics Agency, and other systems**

	Actions	% of actions	Offices	% of Offices
Army	8,873	37%	217	45%
Navy	9,162	38%	77	16%
Marine Corps	901	4%	21	4%
Air Force	2,714	11%	131	27%
DLA/DCMA	1,842	8%	11	2%
ODAs	661	3%	29	6%



Clause compliance rate example details

Based on data from EDA posted from 1 Jan 2013 to 30 Apr 2013

• **DFARS GFP clauses (26%) – APR 2012**

- Four DFARS GFP clauses (252.245-7001 through 252.245-7004) are required in “contracts that contain* the clause at FAR 52.245-1, Government Property.”
- Out of 1,564 contracts with 52.245-1
 - 59% had none
 - 15% had one, two, or three
 - 26% had all four

• **Combatting Trafficking in Persons (96%) – FEB 2009**

- 52.222-50, Combating Trafficking in Persons is required “in all solicitations and contracts.” It is incorporated by reference in 52.212-5 and 52.213-4.
- Out of 23,722 contracts with clause data 95.5% had at least one of these three clauses

• **Payment Instructions (11%) – SEP 2009**

- One of the Payment Instructions required at DFARS PGI 204.7108 is required for cost type contracts and contracts with financing payments.
- Out of 671 contracts with either 52.216-7, 52.232-7 or 52.232-16 present (indicating cost type or financing payments), 11% included one of the eleven instructions.

• **Wide Area WorkFlow (90%) – JUN 2012**

- Exceptions to WAWF are classified contracts, contingency contracts when WAWF use is not feasible, unusual and compelling urgency, DoD inability to use WAWF, and undue burden on the contractor.
- Out of 23,722 contracts with clause data, 43% included the 252.232-7003 WAWF clause, 77% included the 252.212-7001 clause, which has a check box for the WAWF clause, 22% included both, 10% did not have any

• **Ordering (38%) – MAY 2011**

- 252.216-7006 Ordering is required “in lieu of the clause at FAR 52.216- 18, Ordering, in solicitations and contracts when a definite-quantity contract, a requirements contract, or an indefinite-quantity contract is contemplated.”
- Out of 840 such contracts (identified by a “D” in the ninth position) with clause data, 38% had the DFARS clause, 38% had the FAR clause it replaces, 20% had neither, and 4% had both. Spot check of 8 with no clause shown in the data showed 4 had no clause, 2 had the FAR clause, 1 had the DFARS clause, and one had both.